STATEMENT OF DONALD W. MURPHY, DEPUTY DIRECTOR, NATIONAL PARK SERVICE, DEPARTMENT OF THE INTERIOR, BEFORE THE SUBCOMMITTEE ON NATIONAL PARKS, RECREATION AND PUBLIC LANDS, HOUSE COMMITTEE ON RESOURCES, CONCERNING H.R. 3932, TO AMEND PUBLIC LAW 99-338 TO AUTHORIZE THE CONTINUED USE OF CERTAIN LANDS WITHIN THE SEQUOIA NATIONAL PARK BY PORTIONS OF AN EXISTING HYDROELECTRIC PROJECT

## **April 29, 2004**

Mr. Chairman, thank you for the opportunity to appear before your committee to present the views of the Department of the Interior on H.R. 3932, a bill to amend Public Law 99-338 to authorize the continued use of certain lands within the Sequoia National Park by portions of an existing hydroelectric project.

The Department has no objection to enactment of H.R. 3932, if amended in accordance with this testimony. This legislation would provide the authority necessary for Southern California Edison Company (SCE) to continue operating the Kaweah hydroelectric project, partly located in Sequoia National Park, until 2016, with an option to extend until 2026. Without the authority provided by this legislation, SCE would not be able to continue the operation after 2006.

Public Law 99-338, enacted in 1986, authorized the Secretary of the Interior to issue a permit for ten years, with an additional ten-year renewal allowed, for the Kaweah Project to continue to occupy and use lands within Sequoia National Park. The law required the permit to prohibit the expansion of the Kaweah Project within Sequoia National Park and to contain such other terms and conditions as the Secretary deems necessary and proper for the management and care of Sequoia National Park. It also provided for a 120-day

review period by the House and Senate committees of jurisdiction over national parks before taking effect. H.R. 3932 would allow permits to be issued for two additional tenvear periods under the same legislative provisions as the previous permits.

Sequoia National Park, established in 1890, includes the headwaters and tributaries of the Kaweah River. The first hydroelectric facility was constructed on the river in the 1890's by a predecessor to SCE, outside park boundaries. That company proposed to add a third powerhouse in 1907 which required some diversion dams, roads, flumes, and buildings to be located within the park. The Secretary of the Interior granted a 50-year permit for those facilities in 1912. SCE acquired these facilities in 1927. In legislation that expanded the park in 1926, Congress prohibited water and power operations in the park unless specifically authorized by Congress, so when the 1912 permit expired in 1962, Congressional authority was needed to continue operation of the Kaweah project.

Congress authorized issuance of a permit for 10 years, and has been authorizing permits in 10-year increments ever since. This legislation continues the practice of allowing the Secretary to issue permits for no more than 10 years at a time—a practice which allows for relatively frequent review of resource impacts and modifications of the permit, if necessary, to assure protection of park resources.

Generally speaking, hydroelectric operations are not an appropriate use of national park lands. If this project were proposed today, the Department would undoubtedly oppose it. However, this system has been in operation for over a century, and its continuation for relatively short additional periods is acceptable. In addition, it is generally accepted that

removal of either the diversions and flumes on the Kaweah Middle and Marble Forks, or the dams on four Mineral King lakes, in the headwaters of the East Fork, would pose substantial technical challenges, and have significant short-term environmental impacts. Weighing these factors, we believe it makes sense to allow the continued permitting of these facilities—subject to certain conditions.

The retention of the existing law regarding the Secretary's authority to set the terms and conditions for the permit, as H.R. 3932 provides for, is crucial to our willingness to continue allowing hydroelectric operations in Sequoia National Park. The Department would like to work cooperatively with SCE to consider operational changes that could enhance the conservation of resources in the park. We also think that, given the age of the facilities, an independent safety assessment of the entire hydroelectric system needs to be conducted and any deficiencies corrected in a timely manner. This cooperative effort, assessment, and any repairs or modifications to the facilities should be financed by SCE.

In addition, while Sequoia National Park receives a modest financial benefit from the hydroelectric project, mostly in the form of reduced electricity costs, the benefits received by the park are not nearly commensurate with the savings that SCE enjoys by avoiding the need to purchase power on the private market. We believe that SCE could be providing a greater financial return to the park than it currently provides. In that regard, we recommend that H.R. 3932 be amended to provide that the permits authorized under this legislation require a plan to move toward a fair market value fee for use of the land

and water at Sequoia, and that the proceeds received from the fee be retained by Sequoia and Kings Canyon National Parks and used for resource protection, maintenance, and other park operational needs. We would be pleased to work with the committee to develop amendments for the purposes outlined in our testimony.

Mr. Chairman, that concludes my statement. I would be happy to answer any questions you or other members of the subcommittee may have.